



FIRST THINGS FIRST

The right system for bright futures

FREQUENTLY ASKED QUESTIONS

What is First Things First?

First Things First is a voter approved initiative to ensure the quality and accessibility of early childhood development and health programs at the community level. Proposition 203 created a new, state-level board, the Arizona Early Childhood Development and Health Board (AZECDH), which provides oversight and guidance on the implementation of the Proposition. First Things First is also the name of the state agency created to carry out the work of the Arizona Early Childhood Development and Health Board.

How much money does First Things First generate?

The monies are currently being collected from the \$.80 tax on tobacco products and are deposited into a state account and invested by the State Treasurer. All funds generated by the tax on tobacco products for the AZECDH Board will be spent on programs for early childhood development and health. These new monies cannot be used to offset state spending on programs already receiving state appropriations. Current revenue projections suggest First Things First will generate about \$150 million per year.

How are First Things First funds spent?

First Things First establishes Regional Partnership Councils throughout the state. The Regional Partnership Councils are to include eleven members who reside or work in the region. Funding will be based on the number of children ages birth to five years living in the area, as well as the number of young children whose incomes do not exceed 100% of the federal poverty level. Programs funded through the AZECDH Board may be conducted either by grantees in the region or directly by the Regional Partnership Council.

Based on the Board's published timeline, funding is set to begin July 2009. Since the tax became effective on December 7, 2006, will the money just be collected and saved until 2009?

While the initiative directs that the AZ Early Childhood Development and Health Board approve regional grants for programming to begin July 1, 2009, statewide grants of up to 10% of the annual revenue may be awarded as of July 1, 2007. The Board has indicated a desire to initiate statewide grants and will likely consider doing so based upon the results of the statewide needs and assets assessment due to be completed by December 15, 2007, and on-going work group studies. The monies currently being collected from the \$.80 tax on tobacco products are being deposited into a state account, and invested by the State Treasurer. Current revenue projections are that we expect to generate about \$150 million per year. Some revenue will accumulate as a result of the funding mechanism in Proposition 203, but those monies will be used to fund the following year's grants. This will ensure any grant funded receives the full grant for the year regardless of how current year revenues may be affected by tobacco purchases.

When will you start spending the money? Why aren't you spending the money now?

The Board is very much aware that there are many pressing needs to build an early childhood system across Arizona, and they are working diligently to establish the infrastructure to support the Regional Councils who will be responsible for planning and prioritizing early childhood needs in each of their communities. The Board is also researching and identifying those initiatives that could be directed to statewide grants to support early childhood development and health across the State. The Board is establishing a system of oversight and evaluation to ensure accountability to the taxpayers and residents of Arizona. Under the Proposition, monies for statewide or regional

grants could not be expended prior to July 1, 2007. Beginning July 1st, 10% of revenue is being deposited into the statewide grants fund. The Board will consider funding statewide programs from this fund once the Statewide Needs and Assets Assessment is complete (December '07) and work groups have identified areas in which statewide grants will build capacity or quality into an early childhood development and health system.

Is this program only for low income families? What about people who are just above the poverty level? What about the “working poor?”

First Things First seeks to ensure that all children birth to five are safe, healthy and ready to succeed as they enter kindergarten or first grade. The funding formula does give extra weight to children whose family income does not exceed 100% of the federal poverty level, but it also recognizes that the need for a strong early childhood development and health system that will serve children in the community. Regional Councils will make the determinations of how the dollars within each region can best help children of all socio and economic status succeed.